

Message Text

CONFIDENTIAL

PAGE 01 STATE 131566
ORIGIN EB-08

INFO OCT-01 ISO-00 /009 R

66011
DRAFTED BY:EB/ICD/TRP:DAROSS
APPROVED BY:EB/ICD/TRP:TJO'DONNELL
-----096662 240911Z /23
R 232348Z MAY 78
FM SECSTATE WASHDC
INFO RUEHOT/AMEMBASSY OTTAWA 6385
AMEMBASSY BRASILIA

CONFIDENTIAL STATE 131566

FOL LONDON 08050 SENT ACTION SECSTATE INFO ABIDJAN MAY 22, 1978
REPEATED TO YOU QUOTE

CONFIDENTIAL LONDON 08050

E.O. 11652: GDS
TAGS: ETRD, EAGR, ICCA
SUBJECT: COCOA -- CONSULTATIONS ON RENEGOTIATION OF
INTERNATIONAL COCOA AGREEMENT

REF: STATE 117952

1. EMBOFF HELD CONSULTATIONS WITH BRAZIL, CANADA AND
THE IVORY COAST REGARDING U.S. PROPOSALS FOR THE RE-
VISION OF THE INTERNATIONAL COCOA AGREEMENT (ICCA) 1975.
INITIAL REACTION OF ALL THREE WAS POSITIVE AND ALL
THREE EXPRESSED THEIR DELIGHT THAT THE UNITED STATES
WAS STARTING ITS WORK AT AN EARLY STAGE. EMBOFF
PREFACED COMMENTS BY NOTING THE UNITED STATES INSISTS
WE WILL NOT ACCEPT QUOTAS; WE ARE NOT GOING TO GENEVA
ONLY TO FAIL; IF OUR PROPOSAL IS NOT ACCEPTABLE TO THOSE
WITH WHOM WE ARE CONSULTING, WE WOULD LIKE TO KNOW IN
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 STATE 131566

ORDER TO TAKE THAT FACT INTO ACCOUNT; WE WILL NOT ACCEPT
THE 1975 ICCA; AND IF THE REACTION IS HIGHLY NEGATIVE
FROM ALL SOURCES WE WILL CEASE AND DESIST IN OUR EFFORTS.

2. BRAZIL. ECONOMIC COUNSELLOR RACHE AT THE BRAZILIAN
EMBASSY NOTED THE EARLY INITIATIVE OF THE UNITED STATES
WILL MAKE THINGS A LOT EASIER FOR ALL CONCERNED. MANY

CURRENT ICCA MEMBERS FEEL IT EASIER TO EXTEND THE AGREEMENT THAN TO RENEGOTIATE IT, BUT THE OUTLINE OF THE U.S. PROPOSAL PRESENTED FOR REVISION MAY MAKE THE DECISION ON WHAT TO DO MUCH EASIER. HE SAID HE WOULD REPORT BACK TO BRASILIA AND LET US KNOW OF THE REACTIONS HE RECEIVES.

3. CANADA. EMBOFF CONSULTED WITH BLUM OF CANADIAN HIGH COMMISSION AND BURNS OF OTTAWA COMMODITIES DIVISION. CANADIANS REACTED IN A POSITIVE WAY TOWARD THE U.S. OUTLINE, BUT REJECTED THE NOTION OF DOING AWAY WITH QUOTAS ENTIRELY. THEY NOTED THAT UNLESS THERE ARE ALMOST UNLIMITED AMOUNTS OF MONEY AVAILABLE, EXPORT QUOTAS WILL BE NEEDED TO BACK UP THE SYSTEM. THEY ALSO BELIEVED THAT PRODUCERS WOULD FIND THE PROPOSALS UNACCEPTABLE WITHOUT A SAFETY NET OF EXPORT QUOTAS. CANADIANS FEEL LEVERAGING OF COCOA IN MONEY MARKETS WILL NOT REMOVE NEED FOR QUOTAS. THE CANADIANS NOTED THAT THERE IS ALREADY A MOVE AFOOT IN THE ICCO TO RENEGOTIATE THE AGREEMENT AT LEAST A YEAR AHEAD OF TIME IN ORDER TO PERMIT MEMBERS TO HAVE TIME TO RATIFY. THIS IS A MOVE BEING LED BY THE CAMEROONS BUT INVOLVING OTHERS WHO HAVE HAD TROUBLE RATIFYING THE CURRENT AGREEMENT IN TIME. IN ANY EVENT, A RENEGOTIATION IS UNLIKELY TO TAKE PLACE BEFORE JANUARY 1979 IN VIEW OF THE SCHEDULED NEGOTIATIONS FOR AN INTERNATIONAL RUBBER AGREEMENT UNDER

CONFIDENTIAL

CONFIDENTIAL

PAGE 03 STATE 131566

UNCTAD AUSPICES IN GENEVA.

4. IVORY COAST. THE IVORY COAST CAISE DE STABILIZATION REPRESENTATIVE GERVAIS EXPRESSED DELIGHT AT THE U.S. INITIATIVE. HE WAS HAPPY TO NOTE THE CONTINUATION OF IVORY COAST/UNITED STATES COOPERATION ON COCOA AND PARTICULARLY THE FACT WE INCLUDED THE IVORY COAST AMONG THE FIRST COUNTRIES TO BE CONSULTED ON OUR IDEAS. HE SAID THE IVORY COAST WANTS THE U.S. IN THE ICCA AND IS HAPPY TO SEE THE PROPOSAL. HE ASSURED EMBOFF THAT THE PROPOSAL WOULD BE REPORTED TO ABIDJAN IMMEDIATELY. WHILE HE DID NOT EXPECT A REACTION BACK PRIOR TO THE BEGINNING OF THE COCOA PRODUCERS ALLIANCE (CPA) MEETING ON MAY 27 IN ABIDJAN, HE THOUGHT IT INADVISABLE TO BRING THE U.S. DOCUMENT BEFORE THE CPA MEETING. GERVAIS SAID THE CPA IS A NON-GOVERNMENTAL BODY AND THEREFORE NOT A GOOD FORM FOR THE U.S. PROPOSAL. HE ASKED THAT THE U.S. GET BACK TO HIM WITH ANY THOUGHTS IT MIGHT HAVE ON IVORY COAST CONSULTATIONS ON THE OUTLINE WITH TOGO, CAMEROONS AND POSSIBLY KEY NIGERIAN AND GHANIAN OFFICIALS ATTENDING THE CPA MEETING. HE REAFFIRMED HOWEVER, OUTRIGHT CPA CONSIDERATION OF THE PROPOSAL WOULD

PROBABLY LEAD TO ITS REJECTION BY THOSE MEMBERS WHO ARE THOROUGHLY WEDDED TO THE CURRENT ICCA. GERVAIS SAID THAT IF THE U.S. DECIDES TO USE THE CPA AS A FORM FOR PRESENTING THE PAPER WE SHOULD HAVE THE U.S. AMBASSADOR IN ABIDJAN DELIVER IT TO THE MINISTER OF AGRICULTURE OF THE IVORY COAST. EMBOFF ASSURED GERVAIS THAT WE WOULD BE IN CONTACT WITH HIM PRIOR TO PRESENTATION OF THE PAPER TO EITHER GHANA, NIGERIA, OR ICCA EXECUTIVE DIRECTOR HACKMAN UNQUOTE CHRISTOPHER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AGREEMENTS, COCOA, DIPLOMATIC DISCUSSIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 23 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE131566
Document Source: CORE
Document Unique ID: 00
Drafter: EB/ICD/TRP:DAROSS
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780218-0727
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780527/aaaaawml.tel
Line Count: 124
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9f764698-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 STATE 117952
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2596839
Secure: OPEN
Status: NATIVE
Subject: COCOA -- CONSULTATIONS ON RENEGOTIATION OF INTERNATIONAL COCOA AGREEMENT
TAGS: ETRD, EAGR, US, BR, CA, IV, ICCA, INTERNATIONAL COCOA AGREEMENT
To: OTTAWA BRASILIA
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/9f764698-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014